

Present constitution (Art. VI, §29) authorizes parishes and municipalities to levy a sales and use tax subject to voter approval. Limits the rate of all sales and use taxes, except state taxes, in a parish or municipality to 3%. Permits the legislature to authorize additional sales and use taxes subject to voter approval.

Existing law (R.S. 33:2711) authorizes any municipality, subject to voter approval, to levy sales and use taxes not to exceed 2-1/2%. However, authorizes such taxes levied in a municipality to exceed the limit established by present constitution by only 1%. Excludes municipalities in the parishes of Concordia, Catahoula, LaSalle, Caldwell, Franklin, and Tensas from authority to exceed the constitutional limit.

Existing law (R.S. 33:2721.6) authorizes any school board or parish to levy, subject to voter approval, sales taxes provided that the rate of all sales taxes collected in the parish or any municipality, exclusive of state sales taxes and law enforcement district sales taxes, does not exceed 4%.

New law authorizes the city of Monroe, subject to voter approval, to levy an additional sales and use tax not to exceed 1%. Provides that the tax shall be in addition to all other authorized taxes and shall not be subject to the rate limitations established by present constitution or existing law. Further provides that the authority granted in new law shall not limit prior taxing authority granted to the city or any other political subdivision.

New law further provides that the additional tax shall be collected at the same time and in the same manner as other sales and use taxes.

New law also provides that the purpose of such tax shall be for improvements to the water system and sewer system of the city of Monroe, including operations, maintenance, additional construction, and related functions. Requires that the proposition(s) state how revenues are to be allocated between the two systems and the purposes for which they are to be dedicated. Requires that tax proceeds shall be expended only in accordance with the proposition(s) approved by the electors at the election authorizing the tax. Specifies that the proposition(s) may authorize the funding of a portion of the avails of the tax into bonds in the manner provided by law.

Effective upon signature of governor (July 2, 1999).

(Adds R.S. 33:2711.11.1)